(b) if so, the reasons therefor; and

(c) the details of steps being taken to remove any impediments and also to offer adequate financial and other incentives in setting up the greenfield SEZs to give fillip to exports of the country ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) and (b) The Government had announced a Special Economic Zone (SEZ) Scheme in April, 2000. Based on detailed projects reports submitted by the State Governments/private promoters, 3 new SEZs have been formally approved. In addition, 'in principle' approval has been granted for setting up of 15 new SEZs.

The Greenfield SEZs are being set up largely in the private sector in association with the State Governments and are in nature of large infrastructure projects with long gestation period. First Greenfield SEZ at Indore (Madhya Pradesh) is to be operationalised shortly.

(c) Recent steps taken to promote Special Economic Zones (SEZs) include duty free import/domestic procurement of goods for development, operation and maintenance of SEZs and units therein; external commercial borrowing without any maturity restriction through recognized banking channels; facility to set up Off-shore Banking Units in SEZs; exemption from service tax to SEZ developer and SEZ units; exemption from Central Sales Tax on sales made from Domestic Tariff Area to SEZ units; Income-tax exemption for 10 years in the first 15 years to the developers of SEZs; Income Tax holiday for 5 years and 50% tax exemption for 2 years thereafter to SEZ units; and exemption from minimum area requirement of 1000 hectares for port/airport based SEZs.

Potential for export of cement

3106. SHRI B. J. PANDA : Will the Minister for COMMERCE AND INDUSTRY be pleased to state :

(a) whether there is a vast potential for export of cement, provided its production costs are controlled;

(b) whether any technological technique is proposed to be used to bring down its production cost;

(c) if so, the details thereof and if not, the reasons therefor; and

(d) the action taken by Government to enhance export of cement in competitive markets ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI CHENNAMANENI VIDYASAGAR RAO) : (a) to (c) The performance of Indian cement industry in the matter of export of cement *vis-a-vis* the major exporters of cement in the world trade in the year 2001 given below indicates that the performance is quite reasonable and is improving as in the last year it exported 6.92 million tonnes.

(in million tonnes)

Sl. No.	Name of the country	Installed capacity	Production	Capacity utilization (%)	Export	%age of export *vs.* production
1.	China	750	600	80	9.5	1.58
2.	India	129.90	102.40	79	5.14	5.02
3.	Japan	112	82	73	8.00	9.76
4.	Korea	74	52	70	3.5	6.73
5.	Turkey	40	36	90	6.60	18.33
6.	Thailand	53	32	60	7.0	21.87

Further, the ex-factory price of cement in selected countries as given below indicates that the cost of production of cement in India is the lowest :

Country	Rs./tonne of cement
Mexico	4800
Europe	3000-3200
USA	3450
Sri Lanka	3460
Thailand	2100
Indonesia	1900
India	1200-1400

The export of cement, besides cost of production, is influenced by demand/ supply gap in neighbouring countries; relative strength of cement producing and exporting neighbouring countries; freight expenses and duty and tax structure applicable to the production of cement in the country.

Major constraints faced by the Indian cement industry in the matter of export of cement are high incidence of taxes, distance of the most of cement plants from sea coast and inadequate infrastructure facilities for handling export of cement at the ports.

(d) Export promotion measures include setting up bulk terminals in coastal areas and concession in rail freight/import of coal.

Export to European countries

3107. SHRI SATISH PRADHAN : Will the Minister for COMMERCE AND INDUSTRY be pleased to state:

(a) the names of the goods and various other commodities exported to the European countries during the last two years alongwith the value and quantum of exported goods and commodities;

(b) the amount of foreign exchange earned on this account; and

(c) the details of efforts made by Government to increase exports to the European countries ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY) : (a) A Statement is attached.

(b) India's total exports to European countries during the year 2001-02 (April-March) and 2002-03 (April-Nov. for which data is currently available) were valued at US $ 10.80 billion and US $ 8.10 billion respectively.

(c) The steps taken to promote exports to the European countries include regular interaction at the Government level through the medium of the Joint Commission and sectoral Working Groups, organization of 'Destination India' (investment promotion meets), facilitating direct business level contacts, participation in trade promotion events, etc.

Statement referred to in reply to part (a) of Rajya Sabha Unstarred Question No. 3107 for answer on 21st April, 2003.

*Details of India's major exports to European countries during 2001-02 and 2002-03 (April-November for which data is currently available)

(Value in US $ Million)

Sl. No.	Description	2001-2002	2002-2003 (Apr.-Nov.)
1.	RMG Cotton incl. accessories	1,470.48	1,081.57
2.	Gems & Jewellary	1,315.75	999.63
3.	Cotton Yarn, Febrics, Madeups etc.	868.15	604.10
4.	Drugs, Pharmaceuticals & Fine Chemicals	428.17	347.71
5.	Machinery and Instruments	416.40	312.30